

**MINUTES**  
**BROWN COUNTY HOUSING AUTHORITY**  
**Monday, July 18, 2011**  
**City Hall**  
**100 N. Jefferson Street, Room 604**  
**Green Bay, WI 54301**  
**3:00 p.m.**

**MEMBERS PRESENT:** Michael Welch-Chair, Tom Diedrick, Rich Aicher, Darlene Hallet, Ann Hartman

**OTHERS PRESENT:** Robyn Hallet, Matt Schampers, Rob Strong, Chip Law, Matt Roberts, Dave Swanson

**APPROVAL OF MINUTES:**

1. Approval of the June 20, 2011 minutes of the Brown County Housing Authority.

A motion was made by D. Hallet, seconded by A. Hartman, to approve the minutes of the June 20, 2011, meeting of the Brown County Housing Authority. Motion carried.

**COMMUNICATIONS:**

2. Letter from Housing Authority Insurance Group regarding dividends.

R. Hallet informed the Authority that in addition to providing an update to the questions posed for this item at the last meeting, another letter was also received from HAIG about additional dividends.

R. Hallet explained that the letter indicates the BCHA received a B-dividend of \$156.61. R. Hallet contacted HAIG for more information about the dividends. She reported that the amount of the special dividend received last month is based on a combination of how well a Housing Authority does and how HAIG does. The A and B dividends are based on the type of membership a Housing Authority has: A Dividends are for Capital Contributing member, who pay 50% of their premium to be that type of member. B Dividends are for \$100 Capital Members, who contribute \$100 per year. BCHA is a \$100 Capital Member, thus the reason for this recent dividend. R. Hallet also asked HAIG about the year indicated on the previous letter, which stated 2009. She was informed 2009 is correct because HAIG does the formulation in 2010 and then pay the dividends out in 2011.

**REPORTS:**

3. Report on Housing Choice Voucher Rental Assistance Program
  - A. Preliminary Applications

M. Roberts stated that for the month of June there were 179 preliminary applications.

- B. Housing Assistance Payments

M. Roberts indicated that HAP expenses were at \$1,236,968.00 for June.

- C. Housing Assistance Unit Count

M. Roberts stated that unit count for the month of June was at 3,125.

- D. Housing Quality Standard Inspection Compliance

M. Roberts indicated that the initial pass rating was 49.48%, the re-evaluation pass rating was 25.65% and the fail rating dropped to 24.87%.

E. Housing Choice Voucher Administrative Costs and HUD 52681B

C. Law stated that currently \$23,491.94 under-budget. He explained this is so large because we received 2010 admin fees in 2011 of just over \$20,000, otherwise we would be at break-even for the year.

F. Portability Activity

M. Roberts indicated that port-outs for the month of June were at 122 and port-ins were at 14.

G. SEMAP Monitoring Report

M. Roberts stated that at this point we should be receiving all eligible points for SEMAP.

H. Report of the Housing Choice Voucher Family Self-Sufficiency Program.

M. Roberts indicated that there were 117 clients for the month of June, 36 with escrow accounts, and one graduate. There were eight new contracts.

I. Report on the Housing Choice Voucher Home Ownership Option.

M. Roberts stated that we remained at 88 homeowners in June.

J. VASH Reports

M. Roberts indicated that for June there were 12 participants with two new clients joining VASH in June.

K. Report on Langan Investigations Criminal Background Screening and Fraud Investigations

M. Roberts stated that there were 23 new investigations; three of which were closed and 20 active investigations.

R. Aicher stated he had previous spoken to Pat Faulds of RE Management about questions he received from the VA office about a perceived lack of BCHA involvement in the VASH Vouchers. R. Aicher and P. Faulds have exchanged some voicemails and emails but at this point R. Aicher has not received the name of the person at the VA office that P. Faulds had spoken to. He asked R. Hallet if she has heard anything more, to which she responded she did not, but suspects there was a miscommunication or misperception by someone.

M. Welch indicated there seems to be a trend of increasing port outs. C. Law confirmed this is an issue we've discussed periodically and are awaiting word from HUD on how to handle it. There are some groups of people who are coming here, getting a Voucher and porting out immediately. Previously we've seen port outs of 20-30 per month. We spend a lot of staff time processing these port outs, but don't get admin dollars for that work. This is one of the reasons we are encouraging HUD to change the regulations on that. C. Law states that word has gotten out that

we are not issuing new Vouchers, which has caused some conflict. He forecasts that the number of preliminary applications received as well as the number of port outs will start shrinking now that people are learning that they won't get a Voucher as quickly.

C. Law stated that at the bottom of the 52681-B form, they've added the attrition rate, which is the number of end participations. The average is about 35. In June there were 47. This is helpful to know since we are relying on the attrition rate to get us back in line with HUD funding.

R. Hallet inquired if the large number of port outs is unique to our area or if other Housing Authorities are experiencing it as well. C. Law responded that the pattern seems to be that any Housing Authorities with short waiting lists are seeing a high number of port outs.

M. Schampers explained that in the set aside funding application, one of the categories is the number of port-outs, so this must be a somewhat common concern that HUD is aware of.

#### **OLD BUSINESS:**

##### **4. Discussion and possible action regarding Tenant Protection Vouchers.**

M. Schampers explained these Vouchers stem from the relocation of the former Port Plaza Tower tenants. He explained that the only new Vouchers HUD issues are Tenant Protection Vouchers, which are for times when tenant subsidies are lost due to closing of a facility. If we accept these Vouchers, we'd have to offer each of the former Port Plaza Tower residents a Voucher to live elsewhere in the community. The majority of them moved to the newly built facilities therefore we don't expect there would be a large number who would accept a Voucher. We must also offer it to those residents who chose not to move to the new buildings, so we are unsure how many of those might use this Voucher. The funding for these Tenant Protection Vouchers includes \$200 for each occupied unit, so that would be \$30,000 in admin funding, plus HAP funding for 150 units for six months, regardless of any additional leasing we do. HUD determines the HAP amount they'd provide on a per unit month basis, which we don't know at this time what that amount will be. The only additional costs would be for those who choose to take the Tenant Protection Voucher, which we don't know how many that will be, but it's very unlikely it will be near the amount that we'll get from HUD. Overall, this will help with our fiscal situation. After the six months of funding, these Vouchers are supposed to be picked up in the next re-benchmarking period, so funding is adjusted so you can afford to house these additional households. There could be trouble if the government continues to run under continuing resolutions, which would result in a gap, however we've been told by the Milwaukee HUD Field Office that there are mechanisms in place to assist Housing Authorities in that instance. We believe it's in our best interest to take these Vouchers, but we'd have to decide later if we'd want to do additional leasing with them.

D. Hallet commented that she had heard there were about 17 residents who chose not to move to the new units. Depending where they moved to, they may or may not want to take one of these Vouchers.

R. Hallet explained that if we decide to take these Tenant Protection Vouchers, all of them, except those used by former Port Plaza Tower residents who decide to take them, would be rolled into the total number of Vouchers we are allocated, to increase it from 3234 to approximately 3384. As with all our Vouchers, we could decide to project base a portion of them.

M. Schampers explained that these Vouchers are intended for tenants who are being displaced, such as those at Port Plaza Towers. We've done everything to move them except get this funding. This process is backwards for us, as usually these Vouchers are available upfront when tenants are going to be displaced. However, since we had decided at the time to use our existing Vouchers for these tenants, HUD has made these Tenant Protection Vouchers available to us now. By using our existing Vouchers to relocate the Port Plaza Tower residents, we've now overshot the funding limit of our Vouchers.

T. Diedrick inquired if the admin funding will be sufficient, considering our current admin situation. M. Schampers reiterated that we'd receive the \$30,000 previously mentioned, plus the normal rate we receive for each additional Voucher we would lease. The distribution of the admin funds to ICS would be handled the same way it currently is under our contract.

M. Schampers expressed that we don't need to decide now if we will do additional leasing with these Vouchers. Based on HUD's projection spreadsheet, if we do additional leasing, our reserves at the end of next year would change minimally, but our program could sustain issuing another 70-80 Vouchers, which would allow us to help more people in the community, but also increase our monthly admin funding by about \$3,000 per month, which would help fill the gap we are projecting in admin. However the spreadsheet assumes we'll receive the set aside funding we've applied for. We'll know by November how much funding they will pay us and we'll also know by then about our set aside funding. If we get the set aside funding, then it would be reasonable to do additional leasing. If we don't get the set aside funding, then we wouldn't want to do additional leasing.

D. Hallet inquired if there will be concern expressed by the public by accepting additional Vouchers. R. Hallet responded that is where project-basing could help, particularly if we can find owners outside of the City of Green Bay who would participate in the project based program. C. Law pointed out that the challenge is that there are not a lot of housing units outside of the City that may want to project base their units. He also pointed out that it seems there is not a lot to lose with accepting these Vouchers, other than concerns by some of BCHA increasing its total Voucher allocation.

M. Welch inquired if there is a timeline by when we must apply for these. M. Schampers indicated we need to decide today if we want to take these Tenant Protection Vouchers so we can let HUD know.

M. Schampers explained that accepting these Vouchers simply adds to the number of Vouchers available to us. It used to be that funding was based on utilization of Vouchers, but now the funding has fallen so low, that Housing Authorities can't get to that level. Now, future funding is provided based on your utilization of the current funding provided to you, not on the number of Vouchers.

T. Diedrick inquired if the new County Executive is familiar with the Voucher program. C. Law responded that shortly after he was elected, ICS's Director met with him and shared what this group has done, what the Vouchers are all about, and the Langan component, so he is familiar and has an understanding of it.

R. Aicher expressed concern about this being disruptive to RE Management. R. Strong suggested we could approve acceptance of the Vouchers contingent on the response from RE Management, however it shouldn't be too much of a concern since there is a waiting list of others who could move into any vacated units at the new facilities.

R. Strong reiterated that we have the option of project basing some Vouchers, which would help with the political fallout that could result from accepting additional Vouchers. It may be perceived that we are growing the program, whereas in reality, we are not because of funding limitations.

A motion made by R. Aicher, seconded by T. Diedrick, to accept the Tenant Protection Vouchers subject to concurrence with RE Management regarding the requirements of acceptance and that beyond the stated requirements, we are not at this time making a determination regarding the use of any remaining Vouchers. Motion carried.

At this time, the Chair inquired if D. Swanson, who had arrived during the preceding discussion, wished to comment on the Langan & Associates report.

D. Swanson reported that Langan & Associates is now conducting investigations for Brown County Human Services, which has been positive because many times cases tie together. He also commented that they have a contract with the Green Bay Housing Authority now, so there is more consistency with investigations in the County and the City Housing Authorities.

D. Swanson reported that there are more investigations now, but fewer that are unusual; most of them are for unreported household members.

D. Swanson also commented that people who take on the responsibility of renting out their property have to really accept that responsibility – they need to know who is living there, how many people reside there, etc. These are not necessarily just the ghastly landlords but some everyday people. They need to understand their responsibilities and especially when renting to a Voucher recipient, that this responsibility is part of their contract. He is not sure if the BCHA can do anything to combat this problem, but wanted to mention it.

#### **NEW BUSINESS:**

5. Renewal of expiring Project Based Voucher Contract with First Equity, LLC for an additional two year term.

M. Roberts explained this is the 4 bedroom project based unit in Denmark and we're simply looking for approval to renew the contract.

C. Law explained there haven't been any major problems there and this is one of the few projected based units outside of the City of Green Bay.

R. Hallet reminded the Authority that project based contracts can be for any length up to 15 years. This one was set at two years.

R. Aicher inquired how many projected based contracts the BCHA has. R. Hallet responded she believes there are five. R. Aicher suggested that when a contract comes up for renewal we may want to have a one page summary including information such as the owner and manager names, the number of units, any issues such as police calls, etc. This would be helpful to have documentation as to why we decided to renew a contract.

D. Hallet inquired of the term of the other projected based contracts. C. Law stated they could put that information together to share at the next meeting.

A motion was made by D. Hallet, seconded by A. Hartman, to renew the expiring Projected Based Voucher Contract with First Equity, LLC for an additional two year term and to provide a summary of other projected based contracts at the next meeting. Motion carried.

**INFORMATIONAL:**

R. Hallet explained that the property that was discussed at the past two meetings for which the owners had been provided a \$20,000 BCHA downpayment/closing cost loan and was now facing foreclosure is no longer in foreclosure. The family reached a settlement agreement.

**BILLS:**

A motion was made by D. Hallet, seconded by R. Aicher, to approve the bills as presented. Motion carried.

**FINANCIAL REPORT:**

The financial report was received and placed on file.

**STAFF REPORT:**

T. Diedrick inquired if there were any significant changes to collection of fraud payments. R. Hallet stated there are no changes other than that the small claims limit has increased from \$5,000 to \$10,000.

M. Welch inquired if there will be an August meeting. R. Strong responded that we should have a better idea within two weeks.

R. Hallet invited Commissioners to consider attending the Wisconsin Association of Housing Authorities (WAHA) Fall Conference in Stevens Point in September and the National Association of Housing and Redevelopment Organizations (NAHRO) Fall Conference in St. Louis in October. She will email them further information about these conferences.

The meeting was adjourned at 4:09 PM.

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